

CHAPTER 1

The Singapore Healthcare System: An Overview

Singapore has achieved extraordinary results both in the high quality of its healthcare system and in controlling the cost of care. In per capita terms and as a percentage of Gross Domestic Product (GDP), its healthcare expenditures are the lowest of all the high-income countries in the world.

How did this happen? How has Singapore been able to achieve these kinds of results?

The answers are bigger than just the process of putting a healthcare system together. There are larger factors that have to do with the spirit and philosophy of Singapore itself, the way it is governed, how the government approaches domestic issues, and how it deals with the world.

In my study of Singapore, I have found three compelling qualities woven into the fabric of the country that have enabled it to achieve outstanding successes in so many areas, healthcare included. They are long-term political unity, the ability to recognize and establish national priorities, and the consistent desire for collective well-being and social harmony of the country.

Political Unity and Constancy of Purpose

From the time the British withdrew from Singapore and left its former colony to fend for itself, Singapore has been able to develop and grow as an integrated whole. The People's Action Party (PAP) has been in power since independence, resulting in sustained political stability. Along with stability has come a unity and constancy of purpose and action throughout

government. Contrast this condition with other countries where government regularly changes hands and different parties espousing different agendas go in and out of power. A clear and uninterrupted approach to solving a nation's problems is very difficult to achieve in such situations. The government has been steady in its broad general vision of what care should be and what role it should play in the lives of Singaporeans. That continuity of philosophy and approach, I believe, has made possible the ability to plan and execute over a long period of time.

I have also observed an unusual degree of unity among the country's various ministries—an acknowledged spirit of cooperation among governmental departments that makes possible the formulation of policies that reaches across ministries. A member of the team that assembled the 1983 health plan discussed in this chapter and Health Minister from 2004 to 2011, Mr. Khaw Boon Wan, has noted that each month, Permanent Secretaries of each ministry meet to focus on issues that require participation by more than one ministry.¹ It is simply assumed that ministers will work as a team on issues that need interdepartmental cooperation.

I find it relevant that the government realized early on that improvement in health conditions and care had to be approached as an integral and inseparable part of the overall development planning for the country. As a heavily urbanized city-state with a population of two million at independence, caring for the health of the people meant more than just building hospitals and clinics. Health would be affected by almost every aspect of life in an urban setting: housing, water supply, food supply, air quality, waste disposal, road traffic, parks, tree planting, and more. Ensuring the health of the people of Singapore had to be built into every aspect of urban planning, requiring a comprehensive approach and the cooperation of numerous ministries over all the various sectors of government. The culture of cooperation made it all possible.

Some have suggested that Singapore is a thinly-disguised dictatorship, and that political stability is attained at the cost of democratic freedom. That is simply not the case. Although one party, the PAP, has been in power since independence, it is elected and does not hold power through force, and could not have maintained its rule without being highly responsive to the concerns of the electorate.

The government is responsive to the concerns of the electorate. In the 2011 elections, healthcare was one of the issues raised. There were concerns that the government was not doing enough for the elderly and that families were experiencing severe financial strain and even bankruptcy as they tried to

pay for older family members' care. Opposition parties organized themselves around issues of healthcare affordability and eldercare costs.

Early the following year, the government responded with a new program of increased spending—doubling the Ministry of Health's budget over the next five years—to address citizens' concerns. It announced increased subsidies for long-term care, even for patients being cared for in the home, and expanded eligibilities for subsidies, giving middle-income families some financial relief. Subsidies were increased for nursing homes (including eligible patients in private nursing homes), day care, rehabilitation care, and home-based care. These actions by the government seem to me to be a direct response to the issues raised in the elections.

Establishing Priorities

The health of the populace was not a top priority for the government at the start of independence. As Lee Kuan Yew observed in his memoirs, he had three immediate concerns to deal with: international recognition for Singapore's independence; a strong defense program that would “defend this piece of real estate”; and finally the economy—“how to make a living for our people.”² Yong Nyuk Lin, the Minister for Health at the time, stated the situation bluntly: “health would rank, at the most, fifth in order of priority” for public funds. National security, job creation, housing, and education were in the queue ahead of health, in that order.³ With the exception of the basics of public health, healthcare planning and development would have to wait until the nation achieved a level of military and economic stability.

It seems to me that this ordering of priorities was apt for the time, as it was vitally important first to set up the defense of this small nation, and then to attract investors to set in motion economic growth, and tackle glaring issues of unemployment, housing, and education. After these critical problems had been dealt with, others, including healthcare, could be taken on. Exactly where health comes in the priorities of an emerging economy may vary. In countries where HIV/AIDS is highly prevalent, or if another epidemic or disease threatens a broad segment of the population, health may become the first or second national priority.

Wisely, the initial focus in Singapore was on public health: putting proper sanitation procedures in place, controlling infectious diseases, all successful efforts. Early initiatives were launched to provide clean water, develop a vaccination program, and guarantee access to basic medications, clean food, and more.

In time, the priorities set by the government proved to be effective. The security situation stabilized and the economy grew to the benefit of all. The creation of the healthcare system was aided immeasurably by the outstanding growth. One important indicator to consider: GDP grew from just under S\$8.5 billion in 1964, to over S\$50 billion in 1983 (the year the government issued its White Paper declaring its healthcare goals and which I will be discussing below), to almost S\$300 billion in 2011.⁴ Those economic gains were successfully translated into raising the health standards of the nation and building the care system that is the subject of this book.

Promoting a Sense of Collective Well-Being and Social Harmony

One of the most important tenets of Singaporean governance is that a strong society requires social harmony. If tensions between social groups and races are to be avoided, all groups should be included in the life of the country and should benefit, to some degree, from its successes. The government's actions on behalf of this belief have undergirded the building of modern Singapore. As part of the social fabric, the government built a system that promotes a sense of fairness and well-being through both economic opportunity and delivery of social services. I find these words of Lee key to understanding Singapore's approach:

A competitive, winner-takes-all society, like colonial Hong Kong in the 1960s, would not be acceptable in Singapore ... To even out the extreme results of free-market competition, we had to redistribute the national income through subsidies on things that improved the earning power of citizens, such as education. Housing and public health were also obviously desirable. But finding the correct solutions for personal medical care, pensions, or retirement benefits was not easy.⁵

One important solution Lee and his ministers found was the Central Provident Fund (CPF). It was set up during British colonial rule as a compulsory savings program for workers to build a nest egg for retirement. Individuals put five percent of their wages into the fund and their employers matched it. The accumulated money could be withdrawn at age 55. Lee's government expanded the program, upping the contribution levels, and allowing funds to be used for home-buying (widespread home ownership was seen as vital for political and social stability).⁶

The CPF has become one of the key pillars supporting social stability. The government had a long-range vision to increase the use of the Fund over time and broaden it to allow individuals to save for and pay for education and

healthcare as well as retirement and home-buying. Mandatory contribution rates have risen over the years and now stand at 16 percent of wage for employers and 20 percent for employees. After age 50, the rates decrease.

The Central Provident Fund's contribution to the viability of the healthcare system cannot be overstated: it helps control costs by instilling in patients a sense of responsibility about their spending—after all, it is their money to save or spend; and it helps make care available and affordable to all. Eventually, however, the government recognized that the health savings program would not be enough to support care, and other systems were put in place, including a medical insurance program and a social safety net.

Respect and Education for Women

Singapore has been a pioneer in the area of women's equality beginning with The Women's Charter of 1961 that improved the rights and protections of women under law. Singapore established early on the importance of respect and education for women, as well as seeing to their health needs. The government accomplished a great deal well before the women's movement established itself in many countries.

Specifically, women's health education was deemed essential to the future of the country. The Education Ministry took the lead in educating young women about important health topics. The then Health Minister Mr. Khaw Boon Wan credited that effort with creating a vitally important advance in healthcare: educated women were now able to look after their own health, their health during pregnancy, their babies, and their families.⁷

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In the coming chapters, I will take you through these and other elements that have made healthcare in Singapore such an enviable achievement: the high quality of care, more on the critical role of the CPF, financing the system, controlling costs, infrastructure, investing in medical research, and the new challenges of long-term care and eldercare. But first, in the remainder of this chapter, I will walk you through the ideas and the history of social planning that created the foundation for today's healthcare system.

Singapore's transformation from a British colonial outpost to a First-World city-state is nothing short of remarkable. Since achieving independence in 1965 as a tiny, impoverished country with few assets and no natural resources, it has turned itself into a modern, prosperous, secure city-state.

Singapore's founding father, Lee Kuan Yew, knew that without Britain's military and financial support, this new country would succeed and endure only if it could turn itself into a "First World oasis in a Third World region."

Many institutions had to be erected before Singapore was able to reach that goal. How it was all accomplished makes for a fascinating study in nation-building. However, the scope of this book allows me to focus my discussion on the underlying Singaporean philosophy and actions that drove the development of the public healthcare system. While providing for the health needs of his people, Lee also wanted his country to avoid the pitfalls of Western systems—such as those in the United Kingdom and the United States—that were already showing signs of strain caused by high costs.

In the late 1940s, as a student at Cambridge, Lee witnessed the beginnings of the English welfare state:

Looking back at those early years, I am amazed at my youthful innocence. I watched Britain at the beginning of its experiment with the welfare state; the Atlee government started to build a society that attempted to look after its citizens from cradle to grave. I was so impressed after the introduction of the National Health Service when I went to collect my pair of new glasses from my opticians in Cambridge to be told that no payment was due. All I had to do was to sign a form. What a civilised society, I thought to myself. The same thing happened at the dentist and the doctor.⁸

Over time, though, Lee realized that a system that took care of all of its citizens' needs would diminish the population's "desire to achieve and succeed." It was obvious to him that Singapore, upon independence, was a poor, struggling country that needed a motivated population working hard in the interests of their country and their future. He could not begin to contemplate a system like Britain's. If anything may be identified as the guiding philosophy behind Singapore's success, it is Lee's conviction that the people's desire to achieve and succeed must never be compromised by an overgenerous state. The government made certain that Singaporeans developed and retained a sense of responsibility for all aspects of their lives—including the care and maintenance of their own physical and emotional well-being.

Building the Foundation

Bringing Care to the People

I mentioned earlier that high-quality healthcare was not a high priority in the early days of independence. However the young government did take

some significant steps to improve the health of Singaporeans. An early move was to bring primary care services closer to the people by developing a network of satellite outpatient dispensaries and maternal and child health clinics. They offered a one-stop center for immunization, health promotion, health screening, well-women programs, family planning services, nutritional advice, psychiatric counseling, dental care, pharmaceutical, x-ray, clinical laboratory, and even home-nursing and rehabilitative services for non-ambulatory patients.⁹ The move took the pressure off Singapore's General Hospitals to provide such care.

Mr. Khaw Boon Wan characterized the movement to outpatient clinics as one of the low-hanging fruits in the transformation of the healthcare system, yielding a high return for a low investment, a necessary condition in the early days of the country.¹⁰ These outpatient clinics have since been consolidated into modern polyclinics, small, well-equipped medical centers providing a range of diagnostic and treatment capabilities that do not require overnight stays, and catering to all age groups. Although acute illnesses still represent the majority of the problems being seen at polyclinics, the clinics are increasingly focused on chronic disease management. Services such as home-nursing and rehabilitative care for non-ambulatory patients have since been moved from polyclinics to Voluntary Welfare Organizations, community hospitals, and private nursing homes.

Introduction of User Fees at Public Clinics

Services at the outpatient clinics had been free-of-charge—modeled after the practice of the British healthcare system. But the government quickly changed that.

As Lee Kuan Yew recalled in his memoirs:

The ideal of free medical services collided against the reality of human behaviour, certainly in Singapore. My first lesson came from government clinics and hospitals. When doctors prescribed free antibiotics, patients took their tablet or capsules for two days, did not feel better, and threw away the balance. They then consulted private doctors, paid for their antibiotics, completed the course, and recovered.

Lee's government imposed a fee of 50 cents for each attendance at the clinics, doubled during public holidays.¹¹ This bold move reminded Singaporeans that healthcare is not free, and that the nation would not be building a welfare system such as Britain's. People would be expected to a large degree to pay their own way.

Early Human Resources/Manpower Planning

Before 1960, there were fewer than 50 medical specialists in Singapore to serve Singapore's two million residents. To boost their numbers, the Committee for Postgraduate Medical Education was set up in 1970.¹² Initially, there were few specializations offered in Singapore. The government began sending its brightest doctors in the public sector to the best medical institutions around the world for training.

In the 1980s, the Healthcare Manpower Development Programme was launched giving specialists opportunities to work and train at world-renowned overseas institutes. HMDP at the outset was meant for specialist training, and subsequently subspecialty training was introduced in areas such as trauma, advanced cardiology techniques, gastro-pathology, breast reduction, and more.¹³ This action nurtured a new generation of highly-skilled specialists and set the stage for developing Singapore's current world-class capability in highly-specialized, advanced medicine.

Over the years, Singapore has continued to forge strategic partnerships with healthcare organizations all around the world and continues to send doctors for training at world-class medical facilities. In 2009, 1,750 doctors practicing in Singapore were foreign-trained. Half of newly-recruited doctors are foreign-trained.¹⁴

Healthcare Infrastructure Improvements

Early on, the government began upgrading the infrastructure at public hospitals, all of which dated from before the Second World War. Gradually, one at a time, facilities were improved, investments were made in modern equipment, and sophisticated specialties were developed. Ambitious hospital construction and expansion programs have been undertaken since.¹⁵ To encourage community participation and initiative in providing healthcare to the elderly, chronically sick, terminally ill, and mentally ill, the government began providing subsidies to certain private institutes and Voluntary Welfare Organizations and continues to do so today.

Housing

Although not a part of the healthcare system per se, the country's early housing initiative has contributed immeasurably to the health of Singaporeans. I would be remiss in not mentioning it here.

In the days before independence, according to the Housing and Development Board (HDB), many Singaporeans were living in "unhygienic

slums and crowded squatter settlements.”¹⁶ At the time, only nine percent of Singaporeans lived in government flats. Set up in 1960, HDB began investing in good, clean affordable housing that greatly improved living conditions and health conditions. In less than three years, over 20,000 flats were built. By 1965, the number climbed to almost 55,000 flats, and within ten years, the housing problem was solved.¹⁷ Today almost 85 percent of Singaporeans live in HDB flats. I believe that this effort on behalf of the people remains one of the most successful examples of public housing in the world.

For anyone interested in learning about living conditions before the improvements I have just discussed, I highly recommend a visit to the Chinatown Heritage Centre at 48 Pagoda Street. There visitors will find a fascinating recreation of housing from the 1950s, including reconstructed interiors.

The government did not stop at providing housing. Over the years, other investments were made in clean water, proper sanitation services, clean environment, good nutrition, and health education. All these actions played a crucial role in improving the health status of Singaporeans.¹⁸

Affordable Healthcare for All

In 1983, almost two decades after independence, the first comprehensive National Health Plan was introduced. The plan presented the government’s broad health development strategies including keeping care affordable, meeting the demands of a growing population, and managing the rising expectations of an increasingly affluent society. It set national objectives for empowering Singaporeans to lead healthy, fit, and productive lives made possible through active disease prevention and promotion of a healthy lifestyle. The plan aimed to improve cost-efficiency in the system. Interestingly, it foresaw the growing demand for increased care for the rapidly ageing population.¹⁹ The plan mentioned the need to restructure the healthcare delivery system to cope with the changing trends of diseases—mainly the shift from treating infectious disease to chronic disease.²⁰ The plan reflected the success of the early measures taken by the government to contain infectious diseases, provide clean water, and promote childhood vaccinations, allowing the focus of efforts to shift to chronic diseases. In time, Singapore began focusing on disease prevention through a healthy lifestyle—including exercise, eating healthy, managing stress, stopping smoking—along with screening for and optimal treatment of disease.²¹ In this respect, Singapore was well in advance of other countries in the region that only started to shift their emphasis to chronic diseases around 2010 or so.

Restructuring

A sweeping reform started in the 1980s, when the government embarked upon the restructuring of its public hospitals, giving them greater autonomy to function more like private hospitals than public institutions under a central control. Speaking as an entrepreneur, I can imagine how liberating this move must have felt to hospital management. National University Hospital was incorporated in 1985, and Singapore General Hospital was incorporated in 1989. The majority of the hospitals were corporatized in the 1990s. The goal was to allow the public hospitals to compete against one another. The unsubsidized wards were meant to serve as a benchmark in terms of quality and price for the private sector. This action helped stabilize prices throughout the system.

The public hospitals were given a freer hand to implement management practices for improving effectiveness and efficiency, and much more freedom in their day-to-day decisions regarding staffing, compensation, deployment of resources, and some user fees. The reforms succeeded in providing consumers with more choices for their healthcare and also served to dampen rising costs. The public hospitals are still owned by the Ministry of Health through a holding company called the Health Corporation of Singapore set up in 1985. It later became MOH Holdings Private Limited. The government appoints the Board members, and the Chief Executive Officers and management of the hospitals are accountable to the Board, allowing the government to continue to exercise its authority in larger, strategic decision-making.²²

Medisave

Perhaps most importantly, the Plan announced the creation of Medisave, Singapore's individual medical savings plan. Medisave is the expansion of the Central Provident Fund mentioned earlier in the chapter. Workers contribute a certain percentage (set by the government) to their individual accounts, as do their employers. The money can then be used to pay for health services as well as health insurance plans. I firmly believe that the program is one of the cornerstones of the current system. Medisave enables patients to pay their share of their healthcare bill. It has also had the effect of keeping national healthcare costs low by shifting a large portion of expenses to individuals and their employers. I discuss Medisave in depth in Chapter 3.

Blueprint for a Modern Healthcare System

By the early 1990s, it became clear that healthcare costs were growing at an alarming rate that would soon put an unacceptable strain on the nation's as well as family finances. It was also recognized that increasing life expectancy

was creating another challenge: how to care for the growing elderly population in Singapore. A Ministerial Committee was set up to review the role the government could play in containing costs, controlling subsidies, and ensuring the continued quality of care. In 1993, the committee issued its report in a White Paper entitled “Affordable Health Care.”²³

The White Paper became, in effect, the blueprint for developing and refining a healthcare system that would serve the population well into the 21st century. In outlining the government’s philosophy and approach to healthcare, it set forth five fundamental objectives:

1. Become a healthy nation by promoting good health;
2. Promote individual responsibility for one’s own health and avoid overreliance on state welfare or third-party medical insurance;
3. Ensure good and affordable basic medical services for all Singaporeans;
4. Engage competition and market forces to improve service and raise efficiency; and
5. Intervene directly in the healthcare sector when necessary, where the market fails to keep healthcare costs down.

Let us take a closer look at each of these objectives.

Promote Good Health

The White Paper set forth the need for health education, disease prevention, and motivating the population to adopt a healthy lifestyle and teaching the importance, for example, of leading an active life, not smoking, and eating the right foods in order to avoid obesity. To further these goals, the government created the Health Promotion Board (HPB). Its mission is to raise the level of health and health awareness through education, screening programs, dental services to children, nutrition programs, and more.

In effect, the government began to take the lead, working with agencies to reach out to groups within the population, developing an integrated and comprehensive approach. For example, the National Healthy Lifestyle campaign was given top political support.²⁴

The National Healthy Lifestyle Campaign is an annual, month-long event that reaches into the community, workplace, schools, supermarkets, and restaurants. Healthy living themes are chosen—fighting obesity, for example—and activities such as mass workout sessions, weight loss reality television shows, school programs, and advertising are created around them. Some simple steps taken by the government to encourage healthy lifestyles include building exercise corners in all public housing, smooth pavements for people to walk and jog on, ensuring availability of healthier options at public

food centers near public housing and transportation hubs, workplace health promotion programs, and the healthier choice symbol on foods.

The philosophy of healthy living is also evident today in nutrition counseling and nutrition support programs for patients in the hospitals, at outpatient clinics, and in the schools where the curriculum includes the basics of nutrition. Other programs are also available to the schools for promoting healthy eating habits among students.²⁵

Promote Individual Responsibility for One's Own Health and Avoid Overreliance on State Welfare or Third-Party Medical Insurance

Singapore espouses the philosophy of individual responsibility: the population should be encouraged to cultivate a strong sense of personal responsibility toward health. The White Paper suggested that by making patients pay directly a part of their healthcare expenses, excessive demand for services could be mitigated and overreliance on state welfare or third-party medical insurance kept in check. It was asserted that the entitlement mentality—the notion that people are entitled to unlimited healthcare services at the expense of the state, employer, or an insurance company—should be prevented from gaining hold.

To avoid overreliance on comprehensive insurance programs that provided first-dollar coverage, the government incentivized the purchase of health insurance schemes with features such as deductible and co-payment components and guaranteed renewals by restricting the use of Medisave to only plans that met these requirements. Insurance plans that provided first-dollar coverage were viewed as playing a major role in raising costs in countries where they are readily available.

Administrative overheads alone, for example, are responsible for over 20 percent of the United States' total healthcare expenditure. It is thought that private insurance can also be responsible for over-consumption of care by patients, and over-delivery of services by doctors, as neither group is incentivized to keep costs in check as long as insurance companies will pay. Private insurance companies are also seen as discriminating against people at risk in favor of healthy individuals and so creating problems of equity, a condition that Singapore works very hard to avoid in its society.

Ensure Good and Affordable Basic Medical Services for All Singaporeans

In the White Paper, the government stated the need to make a good, basic medical package available to all people, whatever their means. The package did not necessarily have to make available the latest medical technologies but

should include proven, cost-effective treatments, benefiting the maximum number of people. The package excluded certain treatments deemed not basic, such as cosmetic procedures and in-vitro fertilization (IVF, which is now subsidized, by the way.)

The basic package had to be affordable and be provided by hospitals receiving government subsidies. The most highly-subsidized ward classes were to offer this basic level of care.²⁶ The package should be reviewed frequently to reflect, among other things, the purchasing power of Singaporeans and productivity increases in medical science. In later years, means testing was initiated to ensure that government subsidies would be better targeted to help patients in greater financial need. Patients not meeting the criteria can still elect to go into the highly-subsidized wards, but they may not receive the maximum subsidy.

The White Paper foresaw that with the rising affluence of Singaporeans, the desire for sophisticated (and costly) medical services beyond the basic package would grow. It recommended that patients who were willing to spend more in order to obtain a different level of service be allowed to do so in the non-subsidized wards of public hospitals and in private hospitals.

In order to spur medical research, a plan was suggested under which the National University of Singapore (NUS) would focus on “academic research” that might provide valuable discoveries for the future. The subsidized hospitals were to focus on research that had “cost-effective” practical applications. The advancement of medical research in Singapore was furthered by the establishment in 1994 of the National Medical Research Council. It provides research funding to institutes and individuals, awards fellowships, and supports research that may one day be applied in medical practice, as well as clinical research.

Engage Competition and Market Forces to Improve Service and Raise Efficiency

The White Paper adopted the principle that resources available for healthcare were finite and must be put to efficient use. Market forces should be used to promote efficiency, improve quality of services, develop more choices for patients, and make sure patients are receiving good value for their money. It judged that healthcare providers were in a unique position to influence the demand for their services as patients rely on doctors for advice and are themselves generally unaware of better or competing alternatives. Yet, too much competition and too many providers might actually drive up the demand for medical services, since patients would naturally want to avail themselves to promising new treatments or technologies or popular doctors. Oversupply or

overabundance of choices would in turn drive healthcare costs up rather than keep them in check and defeat the purpose of encouraging competition.

One step the Ministry of Health has taken to stoke competition is to provide price transparency by publishing the hospital bills for common illnesses on its website. One example of its effectiveness that I found striking is the drop in the price of LASIK surgery. In 2004, the price of the surgery for one eye was S\$2,300. By 2008 the price had decreased to approximately S\$1,400—a savings of S\$1,000 per operation per eye.²⁷

Intervene Directly in the Healthcare Sector, When Necessary, Where the Market Fails to Keep Healthcare Costs Down

I view Singapore's chosen approach to the healthcare market as a kind of highly-calibrated capitalism. Government intervention is sanctioned in certain circumstances to correct or redirect the market. This approach is seen in the fact that it funds public hospitals and other care facilities but also encourages the participation of private hospitals and clinics.

Situations that might demand government action included preventing an oversupply of healthcare services, moderating demand, and creating incentives to keep costs down. The White Paper also recommended that the government regulate specifics of the system. For example, over the years, intervention has included creating and adjusting medical savings programs, sponsoring insurance programs, providing subsidies to hospitals and polyclinics, determining the number of beds and their distribution in public hospitals, funding new medical schools, regulating the number and type of doctors who can practice in the country, and regulating and limiting the type and number of private insurance programs available to Singaporeans.

I will provide a closer look at a number of these practices for the development and maintenance of the system in subsequent chapters. But first, in the next chapter, I will walk you through the specific programs that make it possible for Singaporeans to pay for their care: Medisave and MediShield, as well as the safety net for those who cannot afford care: Medifund.

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Chapter 1: KEY POINTS

- Singapore has built and maintains a high-quality healthcare system at a lower cost than any other high-income country in the world
- Four factors have enabled Singapore to achieve its remarkable healthcare goals:

- Political unity, constancy of purpose, and a culture of cooperation within government
- Ability to recognize and establish national priorities, giving the economy time to grow before investing heavily in healthcare
- An overwhelming desire for collective well-being and social harmony
- Attention to the rights, education, and health needs of women
- Singapore's then Prime Minister Lee Kuan Yew envisioned a system that would not be "free" to consumers and would not contribute to a welfare state mentality nor diminish the people's desire to achieve and succeed
- Early actions to build the system included:
 - Moving primary care to a network of outpatient clinics
 - Charging patients for visits to clinics
 - Sending doctors abroad to train in specialties
 - Upgrading and updating care facilities
 - Solving the housing crisis
- Singapore's National Health Care Plan, issued in 1983, set forth strategies for keeping care affordable and meeting the demands of a growing and increasingly affluent population. It also:
 - Restructured the public hospital system, granting more autonomy to hospitals and promoting competition among them
 - Introduced Medisave, a medical savings account that enabled individuals to put away money to pay for their healthcare
- The blueprint for Singapore's current healthcare system was published in 1993 as a White Paper entitled *Affordable Health Care*. It announced five objectives and set forth plans for implementing each:
 - Become a healthy nation by promoting good health
 - Promote individual responsibility for one's own health and avoid overreliance on state welfare or third-party medical insurance
 - Ensure good and affordable basic medical services for all Singaporeans
 - Engage competition and market forces to improve service and raise efficiency
 - Intervene directly in the healthcare sector when necessary, where the market fails to keep healthcare costs down